

## DISPATCH

SECRET

23 [redacted] 2937

To Chief of Station, Helsinki

14-1

201-15016

FROM

Chief, HQ

02

Costille/[X]/S/APPAR/E/S Contacts

ACTION REQUIRED

See below

21 Sept. 59

02 02 (CHECK &amp; ONE)

MARKED FOR INDEXING

 NO INDEXING REQUIRED

INDEXING CAN BE JUDGED

BY QUALIFIED HQ. DATA ONLY

02 1. Headquarters' comments have given considerable thought to the Costille/[X]/S/APPAR/E/S contacts, and we shall attempt to outline below the gist of the consensus of opinion derived therefrom.

02 2. Putting first things first, it is believed that [APPAR/E/S referred to as A/S hereafter] has displayed naivete to too great a degree, both politically and emotionally, to be permitted to become any further involved in this liaison. This, together with her expressed aversion to covert activity, could make for problems in running her as a renegade double agent. Our reasoning is as follows.

02 08 3. The very fact that A/S, a TUBER[agent], and COLUS, a known KISnik, are in contact with each other, has implications which warrant close scrutiny. While it may be a bit too early to ponder the direction G.I.'S's interest could take, (is COLUS sizing up A/S for recruitment, or is he falling for her, genuinely?) the following comments are offered in the knowledge that they are, by and large, self-evident. COLUS has taken the initiative in maintaining contact with A/S, which follows the not uncommon modus operandi of a gift, dinner, movies, an appeal to the intellect, language lessons, and a little liaison initiated through the "jilted husband" routine. All of these contacts have revolved around A/S's apartment, which brings up the question of the Finnish roommate. It would be odd to us if a native Finn, sharing an apartment with 08 an American, wouldn't be suspicious of a Soviet coming to the apartment for language lessons, phoning regularly, taking the American out to dinner, theater, etc. Perhaps Costille has already satisfied himself on this point, but Headquarters would appreciate being assured of the [roommate]'s status and reliability.

02 08 4. COLUS has made provocative remarks to both A/S and Costille, including some pertaining to the A/S-Costille relationship, A/S's trip to the USSR, the likelihood that G.I.'S's contact with A/S had come to the attention of the U.S. Embassy with resultant inquiries instigated by Costille, and to the possibility that A/S was reporting on her contact with COLUS to the U.S. Embassy. Undoubtedly the thought has occurred to the station that G.I.'S may well have 14-1 Costille tabbed as an A/S officer specializing in "U.S.-type operations. As you will recall, in a couple of instances G.I.'S hinted to A/S that he suspected 02 that someone else was paying for her trip to the USSR when he asked her to whom did she have to account for her expenditure. One of the things G.I.'S might hope to gain from these contacts, assuming that he is suspicious of both Costille and A/S, are: an indication of the type of people MINISTRY sends on RECRUIT missions, what their backgrounds are and perhaps how they are spotted (e.g., whether they are students of Soviet affairs, or of the Russian language, etc.), what the backgrounds are of the A/S officers running the operations, and related matters. It might be doubted that G.I.'S himself is a specialist in CP operations against the A/S, since he, as GID President would have broader responsibilities. However, he might well be interested in "keeping his hand in" and of maintaining some personal contacts with Americans in order to get his own first-hand in-

SECRET

281BR

pressures. It might be interesting to see whether after a while he turns over the Costille contact to someone else, such as Nikolai Maturovich [redacted], to whom he has introduced [redacted] i.e. In this context, it is interesting to consider the "memo" report received as an attachment to [redacted]. In this report, Costille, says that [redacted], [redacted] and [redacted] seem to be maintaining the majority of contacts with Americans. Some time ago we at Headquarters wondered if COLBECY [redacted] might be planning to specialize in American contacts, since he was the one who took over the [redacted] contact. And [redacted] had spent considerable time in the United States, so he might be something of an American specialist, too.

14-6  
So it is difficult to say whether the following is relevant or not, but we were interested to read a recent [redacted] concerning a luncheon involving a [redacted] and two known KGB officers. At this luncheon the suspect KGB Resident in Newark alleged that one out of every three American visitors to the USSR is a spy. Here we have the suspect KGB Resident in two Scandinavian countries simultaneously expressing the same thoughts to and about Americans. We realize that one shouldn't try to make too much out of these coincidences, but it is worth noting that in Newark the KGB Resident has subsequently turned over the contact with the A/S officer to an underling at the same time that G-2 is introducing Costille to [redacted] who may, in turn, carry on the contacts. We plan to point out this coincidence to the [redacted] Station. 14-6

6. To get back to the case in point: The pattern of [redacted]'s contacts with COLBECY suggests that the latter has spotted and is in the process of assessing, and cultivating [redacted]. It may be that COLBECY is trying to involve [redacted] in a romantic relationship in which emotional control could be exercised, since it is quite unlikely that this shrewd intelligence operator "likes her for her mind". It would also seem that the Soviets have a continuing interest in Costille and assuming that they are aware of at least some of the Costille/[redacted] contacts, they may have in mind recruiting [redacted] to get information on Costille and other American targets. COLBECY certainly appears to be trying to get [redacted] on the "hook", be it for herself or to get information on the AIC, or both. 02 02

7. Costille says he has never been seen with [redacted] and that all contact with her has been held in his apartment or car. However, it appears quite possible that their meetings have been observed, if the KGB had an inclination to do so, and it may well be that COLBECY is aware of the contact. It is requested that Costille advise Headquarters, for record purposes, as to the means of contact employed by him and [redacted] telephone, meeting places for a certain day of each week or alternate days, etc. Also, does she come unaccompanied to his apartment or does he meet her at a designated place, what is the usual hour (daylight or dark), duration of visit; if meeting is in his car, where do they meet, do they drive around, where does he drop her off? All of this could be surveilled by the Soviets, if they were so inclined. 02

8. If our suspicion is correct that COLBECY has [redacted] and Costille tabbed, from a CI standpoint it would be appropriate to discourage any further contact between [redacted] and COLBECY. We might just continue to fish around for occasional items of operational intelligence, and we see nothing to be gained from the contact. [redacted] might have enough of a sense of mission to allow herself to be led on into a conversation from which COLBECY would derive more benefit than she or we. If COLBECY wants to defect, he won't need [redacted]'s help, and he's probably too sharp, and she too untutored, for us to be the winner in a continuation of this relationship. At this point, it is suggested that Costille himself be careful in his relations with COLBECY and report in detail on all such contacts. 02 02

9. The FBI-SKIM angle concern re [redacted] will be covered in a separate Monache. 02

FBI/LFB: R. SCHWARTZ

Distribution:

2 - [redacted] 14-1